DOCUMENT RESUME

ED 299 500 CG 021 146

AUTHOR Sheehan, Eugene P.; Hockett, Cherri
TITLE The Effects of Employee Turnover on Those Who Stay.
PUB DATE Apr 88
NOTE 12p.; Paper presented at the Annual Meeting of the Western Psychological Association (68th, Burlingame, CA, April 28-May 1, 1988).
PUB TYPE Reports - Research/Technical (143) -- Speeches/Conference Papers (150)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *Employee Attitudes; Higher Education; *Job Performance; *Labor Turnover; Undergraduate Students; *Work Attitudes

ABSTRACT

Research on employee turnover which has examined why employees quit their jobs has identified a wide range of variables that are associated with turnover, but has provided little information about the consequences of turnover for those who remain in an organization. This study was conducted to examine whether the manner in which turnover is perceived by stayers can affect their job attitudes and their job performance. Undergraduate students (N=104) participated in a proofreading task. During a break from the task, subjects were exposed to a confederate who quit the task either because of boredom, combined with the availability of greater rewards elsewhere (inequity condition), or because of illness (control condition). The subjects then completed a second proofreading task, followed by a brief questionnaire. Data analysis revealed that the output of the inequity group on the second proofreading task was significantly lower than that of the control group. There were no differences between the groups in quality of performance. The inequity group also rated the task significantly more negatively than did the control group. Other questionnaire data suggest these findings can be explained in terms of inequity generated in the stayer by a comparison with the leaver's new job. (Author/NB)

**********
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
**********

ED299500

# The Effects of Employee Turnover on Those Who Stay

Eugene P. Sheehan & Cherri Hockett

University of Northern Colorado

CG 021146

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Eugene P. Sheehan

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Paper presented at the meeting of the Western Psychological Association, Burlingame, CA, April, 1988.

**The Effects of Employee Turnover on Those Who Stay**

**Abstract**

During a break from a proofreading task subjects were exposed to a confederate who quit the task either because of boredom, combined with the availibility of greater rewards elsewhere (inequity condition), or because of illness (control condition). The subjects then completed a second proofreading task, followed by a brief questionnaire. Data analysis revealed that the output of the inequity group on the second proofreading task was significantly lower than that of the control group. There were no differences between the groups in quality of performance. The inequity group also rated the task significantly more negatively than did the control group. Other questionnaire data suggest these findings can be explained in terms of inequity generated in the stayer by a comparison with the leaver's new job.

## The Effects of Employee Turnover on Those Who Stay

Much of the research on employee turnover has been devoted to identifying the reasons why employees quit their jobs (Mowday, Porter, & Steers, 1982; Worrell, Davidson, Chandy, & Garrison, 1986). This program of research has identified a wide range of variables that are associated with turnover. For example, in their meta-analysis of the research Cotton and Tuttle (1986) found that job attitudes, pay, and organizational commitment are associated with employee turnover. However, this research provides little information about the consequences of turnover for those who remain in an organization. Are the job attitudes and behaviors of those who remain affected when a coworker quits? Mowday (1981) and Steers and Mowday (1981) point out that these effects of turnover on stayers are a neglected area of study.

One potential route through which turnover may affect the stayer is via the reason the stayer uses to explain the coworker's departure. When a worker voluntarily leaves a job, those remaining behind usually attempt to explain why the colleague quit (Mowday, 1981; Mowday, Porter, & Steers, 1982). The attributions an individual makes as to why a colleague left a job may influence that person's job attitudes and job performance. Employees who believe their colleague quit because of dissatisfaction with some aspect of the job may regard this as an implicit rejection of their job and may consequently come to view their own job negatively. If the colleague gets a better job, those who remain may decrease their performance or may initiate a search for a new job. On the other hand, if the

individual's reasons for leaving are no reflection on the job being vacated, then those who remain may not experience any change in their job attitudes or performance. According to Mowday (1981), the need to justify remaining on a job varies with the perceived reasons why others leave. He suggested that the greatest need to justify staying in an organization occurs when those leaving do so because they find the job dissatisfying.

Stayers may compare their present position with their erstwhile colleague's new position. In equity theory (Adams, 1963) terms, the stayers may perceive some inequity when this comparison reveals the colleague's new job to be better in some respect than their own job. The coworker may have moved to a more interesting and challenging job or to a job that pays more than the stayer's job. These perceptions of inequity may be especially stinging when the colleague expressed feelings of dissatisfaction with the job or the organization prior to the departure. A stayer would not experience any inequity if the colleague left to take a job that was somehow worse than that of the stayer, or for reasons that did not reflect negatively on the stayer's job, such as because of an illness or because of a spouse's new job and transfer out of the area.

Stayers attempting to restore a more equitable comparison between themselves and their former colleagues may change their job attitudes and their job output. The purpose of this study is to examine whether the manner in which turnover is perceived by stayers can affect their job attitudes and their job performance.

## Method

### Subjects

One hundred and four undergraduates from a Western United States university participated in the study. These individuals were drawn from introductory, social, and industrial psychology classes. The subjects were offered extra credit for participating in the study.

### Procedure

Subjects volunteered to participate in a study titled "Test Validation." The subject completed two proofreading tasks. Participants were randomly assigned, by either a male or female experimenter, to one of two turnover conditions during a break from the proofreading. In both conditions a confederate (either an undergraduate man or woman), who had completed the first proofreading task, announced that he or she was quitting and left the experiment. Reasons for quitting varied with each of the conditions. In the control condition the confederate quit because he or she was not feeling well. In the perceived-inequity condition the confederate quit because the task was boring and because of the availability of greater extra credit from another study. Subjects then completed the second portion of the proofreading task. When finished, they were asked to complete a questionnaire dealing with their attitudes to the study. These attitudes, along with quantity and quality of proofreading constitute the dependent variables.

## Results

### Manipulation Checks

Two of the items on the questionnaire completed by subjects after the proofreading activities served as manipulation checks. These items asked subjects to indicate their level of agreement with statements indicating that the extra credit they received was fair and that they could have gotten more extra credit if they had participated in another study. The correlation between these items, after recoding one so that they were both phrased in the same direction, was .46. Subjects' responses to both these questions were added together to form a composite variable.

A two (equity manipulation) by four (experimenter-confederate pairing) ANOVA of subjects' responses on this composite variable revealed a significant main effect for equity manipulation, $F(1,92) = 37.33$, $p < .0001$. There was no main effect for experimenter-confederate pairing [$F(3,92) = 0.50$, $p > .05$], nor was there an interaction between the two factors [$F(3,92) = 0.88$, $p > .05$]. Thus, subjects in the inequity condition had more negative perceptions of the credit they received for this study ($M = 8.73$) than did subjects in the no inequity condition ($M = 6.71$). This indicates that the manipulation of the amount of credit subjects were told was available for participating in psychology experiments had worked. Whether these perceptions of available credit affected subject performance will be examined in the next sections.

Performance Measures

The pre- and post-manipulation tasks yielded three measures of subjects' performance--two indicators of quantity and one of quality or accuracy. Both number of lines proofed and number of

errors correctly identified served as measures of quantity of performance. The number of mistakes the subjects made, an additive composite of the number of errors not identified and the number of words incorrectly marked as wrong, was the measure of the quality of subjects' performance.

In an analysis of covariance (ANCOVA) the pre-manipulation scores on the quantity and quality performance measures served as the covariates. Two (equity manipulation) by four (experimenter-confederate pairing) ANCOVAs of the post-manipulation number of lines proofed, number of errors proofed, and number of mistakes made revealed the group treated with the inequity manipulation proofed significantly fewer lines [$F(1,95) = 62.51$, $p < .0001$] and fewer errors [$F(1,95) = 58.66$, $p < .0001$]. There were no significant differences between the groups in the number of mistakes made, $F(1,950 = 3.28$, $p > .05$. The pre- and post-manipulation means and standard deviations of these performance measures are presented in Table 1.

---

Insert Table 1 about here

---

There was no main effect for experimenter-confederate pairing on any of the performance measures. There were also no significant interaction terms. The $F$ values for these main effects and interaction terms are presented in Table 2.

---

Insert Table 2 about here

---

Questionnaire Data

Eight of the 10 items on the post-experiment questionnaire measured subjects' reactions to the proofreading task. These eight items were added together to form a composite measure of subjects' reactions to the experiment. Cronbach's alpha (1951) was computed to determine the internal consistency of the composite and was measured at .73.

A two (equity manipulation) by four (experimenter-confederate pairing) ANOVA on this composite variable revealed significant differences between the equity manipulation groups [$F(1,92) = 58.62$, $p < .0001$], with the equity group ($M = 23.65$) viewing the proofreading task significantly more favorably than the inequity group ($M = 30.75$). There were no significant differences between any of the experimenter-confederate pairings [$F(3,92) = 0.93$, $p > .05$], nor was there a significant interaction between the equity manipulation and the experimenter-confederate pairings [$F(3,92) = 1.26$, $p > .05$].

## Discussion

The findings demonstrate that employee turnover does affect those who stay after a colleague quits. Employees leaving their jobs can affect both the job performance and job attitudes of those who stay.

These results can be interpreted in terms of equity theory. Employees do engage in social comparison processes (Festinger, 1954), comparing their present position with their former colleague's new position. If, as a result of this comparison, the stayer finds that the coworker has left for a job that is

better in some way, such as pay, benefits, or challenge, then the stayer may perceive inequity. These perceptions of inequity were demonstrated by the finding that subjects in the inequity condition gave the proofreading task lower ratings than did subjects in the control condition.

Adams (1963) has suggested several different ways in which feelings of inequity can be reduced in an attempt to restore a balance to the comparison between the stayer and the leaver. Changes in the stayer's inputs and outcomes are the easiest ways to redress the imbalance. With respect to inputs, equity theory would predict that the stayers would reduce their work effort in terms of quantity or quality of performance. The results of the present study support this prediction as subjects whose coworker quit because the job was boring and because of the availability of more extra credit elsewhere proofread fewer lines of text and identified fewer mistakes than did subjects whose coworker quit because of illness.

## References


Adams, J. (1963). Toward an understanding of inequity. Journal of Abnormal and Social Psychology, 67, 422-436.

Cotton, J., & Tuttle, J. (1986). Employee turnover: A meta-analysis and review with implications for research. Academy of Management Review, 11, 55-70.

Cronbach, L. (1951). Coefficient alpha and the internal structure of tests. Psychometrika, 16, 279-334.

Festinger, L. (1954). A theory of social comparison processes. Human Relations, 7, 117-140.

Mowday, R. (1981). Viewing turnover from the perspective of those who remain: The influence of attitudes on attributions of the causes of turnover. Journal of Applied Psychology, 66, 120-123.

Mowday, R., Porter, L., & Steers, R. (1982). Employee-organization linkages: The psychology of commitment, absenteeism, and turnover. New York: Academic Press.

Steers, R., & Mowday, R. (1981). Employee turnover and postdecision accomodation processes. In L. Cummings & B. Staw (Eds.), Research in organizational behavior (Vol. 3, pp. 235-282). Greenwich CT: JAI Press.

Worrell, D., Davidson, W., Chandy, P., & Garrison, S. (1986). Management turnover through deaths of key executives: Effects on investor wealth. Academy of Management Journal, 29, 674-694.

Table 1

*Pre- and Post-manipulation Means and Standard Deviations for the Quantity and Quality Performance Measures.*

| | Pre | | | | Post | | | |
|---|---|---|---|---|---|---|---|---|
| | Equity (N = 26) | | Inequity (N = 26) | | Equity (N = 26) | | Inequity (N = 26) | |
| | M | SD | M | SD | M | SD | M | SD |
| Lines | 46.94 | 14.85 | 57.83 | 21.09 | 56.23 | 15.23 | 48.31 | 18.05 |
| Errors | 46.83 | 18.58 | 56.83 | 19.73 | 56.27 | 18.45 | 43.89 | 20.01 |
| Mistakes | 10.25 | 6.57 | 27.89 | 11.56 | 11.77 | 8.00 | 14.87 | 8.72 |

Table 2

*ANCOVA Results Summary of Analysis of Performance Measures.*

| | Experimenter-Confederate Pairing Main Effect | | | Equity Manipulation Experimenter-Confederate Interaction Term | | |
|---|---|---|---|---|---|---|
| | F | df | p | F | df | p |
| Lines | 0.67 | 3,95 | >.05 | 0.60 | 3,95 | >.05 |
| Errors | 0.43 | 3,95 | >.05 | 0.95 | 3,95 | >.05 |
| Mistakes | 0.04 | 3,95 | >.05 | 2.18 | 3,95 | >.05 |

*Note*. Pre-manipulation scores served as the covariate.